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UNCLAS SECTION 01 OF 02 BRUSSELS 000122

SIPDIS

DOL FOR BLS AND ILAB
TREASURY FOR IMI
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E.O. 12958: N/A

TAGS: [ELAB](#) [EUN](#)

SUBJECT: EU UNEMPLOYMENT UP TO 9.6 PERCENT; EURO ZONE RATE AT 10.0 PERCENT

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¶1. SUMMARY. The latest unemployment data released by the EU Commission's Statistical Office (EUROSTAT) on January 29 brought no reason for complacency to the Employment and Social Affairs Ministers of the EU-27 holding informal talks in Barcelona on the same day. The aggregate unemployment rate for the EU-27 stood at 9.6 percent in December 2009, up from 9.5 percent in November. Unemployment in the euro zone (the 16 EU countries currently participating in the euro) stood at the symbolic 10.0 percent mark in November 2009. The rates mark a historic high in the EUROSTAT series. END SUMMARY.

¶2. With seasonal adjustment and compensation for differences in national statistical methods, the unemployment rate for the EU-27 stood at 9.6 percent in December 2009, up from 9.5 percent in November 2009 and from 7.6 percent in December 2008. The unemployment rate for the euro zone stood at 10.0 percent in December 2009, up from 9.9 percent in November 2009 (revised downward from initial 10.0 percent estimate) and up from 8.2 percent in December 2008 (comparison based on EU-16; euro zone membership effective in December 2009).

¶3. The lowest monthly rates among those compiled by EUROSTAT from the EU-27 for December 2009 were recorded in the Netherlands (4.0 percent) and Austria (5.4 percent). The highest rates were recorded in Latvia (22.8 percent) and Spain (19.5 percent).

¶4. EUROSTAT data showed all countries among the EU-27 recording an increase in their unemployment rate over a year, some showing quite a sharp rise. The smallest increases took place in Germany (from 7.1 percent in December 2008 to 7.5 percent in December 2009), Luxembourg (from 5.3 percent in December 2008 to 6.2 percent in December 2009) and Belgium (from 7.1 percent to 8.2 percent). The sharpest yearly increases occurred in Latvia (from 11.3 percent in December 2008 to 22.8 percent in December 2009), Estonia (from 6.5 percent to 15.2 percent between the third quarters of 2008 and 2009) and Lithuania (from 6.5 percent to 14.6 percent between the third quarters of 2008 and 2009).

¶5. Based on EUROSTAT estimates, male unemployment reached 9.8 percent in December 2009 for the EU-27 and 10.0 percent for the euro zone, up 2.3 percentage points and 2.2 percentage points respectively when compared to December 2008. The female unemployment rate for December 2009 reached 9.3 percent for the EU-27 and 10.1 percent for the euro zone, up 1.4 percentage point for both areas over the twelve-month period.

¶6. Unemployment rates among young people under 25 for December 2009 ranged from 7.6 percent in the Netherlands to 44.5 percent in Spain and 43.8 percent in Latvia (fourth quarter of 2009).
Slova 7.2
Romania 7.2 (third quarter 2009)

Denmark	7.4
Germany	7.5
UK	7.8 (October 2009)
Bulgaria	7.9
Czech Republic	8.0
Belgium	8.2
Italy	8.5
Finland	8.8
Poland	8.9
Sweden	8.9
Greece	9.7 (third quarter 2009)
France	10.0

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Portugal	10.4
Hungary	10.7
Ireland	13.3
Slovakia	13.6
Lithuania	14.6 (third quarter 2009)
Estonia	15.2 (third quarter 2009)
Spain	19.5
Latvia	22.8

EU-27	9.6
Euro zone	10.0

19. The monthly rates and numbers of unemployed are estimated and based on data from the EU labor force survey. The estimated rates may differ from national unemployment rates due to differences in methods and definitions of unemployment. Unemployed people according to ILO criteria are those aged 15 and over who:

- Are without work;
- Are available to start work within the next two weeks; and
- Have actively sought employment at some time during the previous four weeks.

KENNARD